GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2229
ANSWERED ON:29.11.2016
Taxes on Essential Items
Misra Shri Ajay (Teni)

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government has asked State Governments to exempt local taxes on essential food items, pulses and edible oils and exclude these from APMC to provide these items at reasonable prices to consumers and if so, the details thereof;
(b) whether the Government has expected the State Governments to exclude pulses, edible oils and other essential commodities from Agriculture Produce Marketing Committee (APMC) Act by interfering in the food items market and reviewing Agricultural Produce Marketing Committee Act and if so, the details thereof;
(c) whether the availability of essential commodities would be ensured at fair prices to consumers along with profit to farmers with facility of selling these produce anywhere and if so, the details thereof?

Answer

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a) & (b) : In order to reduce the price gap between producers and consumers through reduction in intermediation of supply chain, create alternative marketing channels and promote investment on development of marketing infrastructure with private sector participation, States have been asked to deregulate marketing of fruits and vegetables outside the Agricultural Produce Market Committee (APMC) yards.

So far, 14 States have deregulated fruits and vegetables from APMC Acts, though in different models. Statement containing the State-wise details is at Annexure.

(c) : Yes Madam. Since, the measure is intended to reduce supply chain and create competition in marketing of fruits and vegetables, therefore, it has inherent potential to make available these food items to consumers' at reasonable prices along with to enhance farmers' profit with their open choice of selling to anybody , anywhere, wherever get the better prices.
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